

**WASHINGTON, DC** – Oversight and Government Reform Committee Ranking Member Darrell Issa today introduced legislation to strip the Department of the Interior of its management responsibilities for the Minerals Management Service (MMS) and make the troubled collector of oil, mineral, and natural gas revenues an independent agency. The case for the legislation is made in an Oversight and Government Reform Committee Republican staff report, which concludes MMS will benefit from a divorce from the Department of the Interior and the creation of dedicated funding, a new management structure, and leadership focused on MMS' unique role in collecting royalties owed to the American people.

“Going all the way back to the 1920s and the Teapot Dome scandal, the Department of the Interior has failed to ensure that the American people receive the payments they are entitled to from oil and natural gas royalties,” said Rep. Issa who has led an investigation into MMS since early 2006. “Problems at MMS did not originate in this Administration or its predecessor, but there is a bureaucracy and dysfunctional culture that has to be held accountable. The Department of the Interior has promised again and again, through multiple administrations to fix these problems. The Department has a vastly different mission than MMS and needs to be held accountable for its failure to address longstanding problems that are costing Americans billions in lost revenues.”

Rep. Issa has led an investigation of mismanagement and ethical lapses involving flawed 1998 and 1999 oil and natural gas deepwater leases issued during the Clinton administration and continued through the Bush Administration. Just this week, the U.S. government lost a court ruling that may ultimately cost American taxpayers \$80 billion.

The Department of the Interior Inspector General has noted that its investigation “revealed an organizational culture lacking in acceptance of government ethical standards, inappropriate personal behaviors, and a program without the necessary internal controls in place to prevent future unethical or unlawful behavior.” Allegations of corruption related to MMS have extended to the Department of the Interior’s most senior leadership. On September 18, 2009, the Associated Press reported that the Justice Department has launched a criminal investigation of former Secretary Gale A. Norton. The Justice Department is investigating whether Norton used her cabinet-level position to steer lucrative oil leases to Royal Dutch Shell PLC, her current employer.

“Promises from MMS, the Department of the Interior, and others that ‘tweaks and fixes’ will address a culture of mismanagement and corruption have lost all credibility,” said Rep. Issa. “MMS’ failures are costing American taxpayers billions. The Interior Department’s slow and lackadaisical approach is simply not acceptable. Forming an independent agency will focus oversight efforts and lead to real accountability and measurable results.”

[Click here to read a copy of the report: “Teapot Dome Revisited: Dereliction of Fiduciary Duty at the Interior Department.”](#)

[Click here to view H.R. 3736 that would make MMS an independent and accountable agency.](#)

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